

FILE

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To: Richard Chalpin, DEP/NERO Date: October 5, 2006
Fax #: 978-694-3499 Phone #:
From: Matthew Ireland, AAG Pages: 10 including this page
Subject: Crow Lane Landfill Closure

COMMENTS:

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FACSIMILE TRANSMITTAL

DATE: October 4, 2006

TO: Matthew Ireland, Esq.
CC: William Thibeault

FAX NO. (617) 727-9665
FAX NO. (617) 387-1597

FROM: Richard A. Nysten, Jr., Esq.

Re: NVLLC; Crow Lane Landfill Closure

NUMBER OF PAGES (including cover sheet) 9

Matt: Attached please find the revised Pro Forma. Please note that we believe that the soil market has dropped to single digits while the C&D market is approximately \$35/ton.

Thank you.
Chip

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**CROW LANE LANDFILL
NEWBURYPORT, MASSACHUSETTS
PROFORMA FOR CLOSURE PROJECT
Update: 09-12-06**

**DRAFT**

PART 1 - PARAMETERS AND UNIT COSTS USED IN THE ANALYSIS

A. Volumes and Areas

• Surface Area of Landfill	14.2 acres
• Total Airspace Available (existing grades to finish grades)	606,000 cy
• Volume of Excavation to Construct Berm Base	(- 42,610 cy)
• Final Cap Volume (24-inch thick, 14.2 acres)	(- 46,000 cy)
• Net Airspace Available for Grading & Shaping Material	517,300 cy
• Volume of Clean Fill Material in Berm	60,960 cy
• Detention Pond Excavations (rock)	(-13,000 cy)
• Net Clean Fill Required for Berm	47,960 cy

B. Compaction Factors

• BUD Fill Material Loose Truck Measure (1.80 cy Truck space/ton hauled)	1.80 cy/ton
• BUD Fill Material Compacted in place (1.35 cy airspace used/ton placed & compacted)	1.35 cy/ton
• Soil Fill Materials Compacted in Place (0.65cy air space placed and compacted)	0.65 cy/ton

C. Earthwork Materials Costs

• Crushed Ordinary Fill (Berm)	\$10/cy
• Crushed Concrete (Berm)	\$10/cy
• Processed Stone	\$20/cy
• Sand/Gravel	\$15/cy

D. Labor and Equipment Costs

• Dozer	\$10,000/Month
• Excavator	\$10,000/Month
• Off Road Rock Trucks	\$ 8,000/Month
• Compactor	\$ 8,000/Month
• Front End Loader	\$ 8,000/Month
• Street Sweeper	\$ 6,000/Month
• Water Truck	\$ 6,000/Month
• Fuel & Maintenance	\$200/day/machine

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- Labor; Foreman, Equipment Operations, Scale Operator, Laborers – average (hourly rate) \$20/hour direct salary
\$25.59/hr(w/benefits)
\$38.95/overtime rate
- Scale/Scale House/Office set-up \$100,000 L.S.
- Maintain Office/Utilities/Maintenance Operation and other Infrastructure including Misc. Supplies/Equipment \$25,000/year

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E. Estimate Equipment and Staffing Required

- Site Preparation Stage – (3 Months)
 - 2 Dozers
 - 2 Excavators
 - 1 Front Loader
 - 1 Compactor
 - 2 Off-Road Trucks
 - 7 Operators/Foreman
- Grading/Shaping Stage – (28 Months)
 - 2 Dozer
 - 1 Compactor
 - 1 Off-Road Truck
 - 1 Excavator
 - 1 Street Sweeper
 - 1 Water Truck
 - 1 Scale
 - 3 Operators/Foreman
 - 1 Scale Operator
- Capping/Final Closure Stage – (5 Months)
 - 1 LGP Dozer
 - 1 Excavator
 - 1 Compactor
 - 2 Off-Road Trucks
 - 1 Street Sweeper
 - 1 Water Truck
 - 1 Scale
 - 4 Operators
 - 1 Foreman
 - 1 Scale Operator

PART 2 - SCOPE OF WORK/COST ESTIMATE

A. Environmental Site Assessment

ISA

Background/File Research	\$2,800
Data Search	\$3,500
Prelim. Hydro Assessment	\$2,100
Site Recon./Mapping	\$3,000
Preliminary Chemical Screening	\$8,000
CSA/Sow Development	\$2,000
	\$21,400

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**DRAFT**CSA

Engineering & Env. Specialist	\$ 42,000
Drilling	\$12,000
Laboratory	\$28,000
	<u>\$82,000</u>

Baseline Risk Assessment

	<u>\$21,000</u>
<i>Subtotal A</i>	\$124,400

B. Engineering Design and Quality Control (Remaining to Final Closure)

Air Permitting	\$18,000
Corrective Action Alternative Analysis	\$12,000
CAD Revision and Update	\$17,000
Permitting and Appeals Process	\$55,000
Stage 2 Gas Extract System	<u>\$8,000</u>
<i>Subtotal B</i>	\$110,000

C. Site Preparation Construction
Inception (12/02) to 12/31/05 \$3,514,966

D. 1. Operation (Grading/Shaping Stage) and (Site Prep)
Inception (11/03) to 12/31/05 \$2,869,724
2. Operation (01/06) to (9-12-06) \$ 733,365

<i>Subtotal C, D.1 & 2</i>	<u>\$7,118,055</u>
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SEE ATTACHED TABLE – "Summary of Expenses"
(Inception of Project thru 09-12-06)

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D. 3. Operation (Grading/Shaping Stage) (09/12/06 to end of project)
(Estimate 10 Months)

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• Equipment	
Dozer (10 mo x \$10,000/mo. x 2)	\$200,000
Excavator (10 x \$10,000 x 2)	\$200,000
Rock Truck (10 x \$8,000 x 1)	\$80,000
Compactor (5 x \$8,000 x 1)	\$40,000
Street Sweeper (10 x \$6,000 x 1)	\$ 60,000
Water Truck (10 x \$6000x 1)	\$105,000
 Tanker Truck	 \$80,000
Pickup and Utility Trucks	\$30,000
Fuel and Maintenance	\$200,000
(Equivalent 9 pieces x 20 days/mo. x 10 mths. @ \$200/day	\$360,000
 Maintain Office, Scale, Infrastructure (\$25,000/Yr)	 \$25,000
 • Interim Cover	
Spray on intermediate cover equip./supplies (12,100/mo x 10 mo.)	\$121,000
Propane for Flare (24,000/mo x 10 mo.)	\$240,000
 • Labor	
6 Personnel x \$25.59/hr. x 40 hr x 4.3 wks/mo x 10 month	\$264,076
6 Personnel x \$38.39/hr x 10 hr x 4.3 wks/mo x 10 months	\$99,046
 • Gas Management	
Phase II active landfill gas extraction system installed	\$170,000
Enclosed Flare Installed	\$220,000
Treat Pre-Filter System Installed	\$900,000
Operation and Maintenance of active gas extraction system with enclosed flare and supplementary treat pre-filter @ 586,000/yr for 10 months	\$489,000
 • Operational Engineering and Regulatory Compliance	
\$14,000/mo. x 10 months.	\$190,000
 • Operational Quality Assurance Monitoring/Random Testing	
\$15,000/mo x 10 months.	\$150,000
 • Materials	
Miscellaneous Operations Supplies, e.g. Gravel, Crushed Stone, Pipe, Filter Fabric and E& S Materials	\$94,000

Subtotal D.3 \$4,117,100

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**DRAFT****E. Capping and Closure**

Operate Pre-Treat and Flare System 3 mo. X \$48,800/mo.	\$146,500
Furnish/Install Capping System (\$130,000/Acre x 14.2 Acres)	\$1,846,000
Engineering/Quality Assurance, Construction Management, Monitoring/Regulatory Compliance (During Construction)	\$120,000
Regulatory Closure, Legal Fees, Bond and Insurance	\$140,000
Environmental Monitoring during operation & closure \$11,000/quarter x 4 qtrs	<u>\$44,000</u>
Subtotal E	\$2,296,500

F. Post Closure Costs

- Maintain/Repair for 1st year or until vegetative growth is
established 150,000/30 \$5,000/year
- Quarterly Inspections @ 2,500/Quarter \$10,500/year
- General Maintenance \$5,000/year
- Environmental Monitoring \$21,000/year

Landfill gas system operation/maintenance
For Syrs. @ \$586,000/yr. = \$2,930,000/30yrs
Subtotal \$97,700/year

Annual Average Post Closure Cost \$138,700/year

	\$138,700/year x 30 yrs	\$4,161,000
FAM. 10% x \$3,174,000		<u>\$317,400</u>
Subtotal F		\$4,478,400

G. Host Community Agreement Contributions

- Mitigation Fund (LSP, Testing, Traffic Controls, Police
Details, etc.) \$75,000
- Legal Fund \$50,000
- Site Preparation for Ballfield or Cash Equivalent \$130,000
- Board of Health Resident Inspector \$60,000
- Board of Health Mitigation Fund \$10,000

Subtotal G \$325,000

Total Cost: Site Prep, Operation, Capping & Post Closure \$18,569,454
(Part 2 Items A through G)

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**DRAFT****PART 3 -- REVENUE ESTIMATE**

A. Total Revenue to 01/06 **\$6,779,315**

B. Airspace Estimate

Total Airspace remaining based on Hancock Engineering
topographical survey Jan. 2006 and CAD final grading plan 143,000 c.y.

C. Estimated Revenue Jan 2006 to Closure
Assuming Equal Volumes Soil/C&D Fines

143,000 c.y./2 = 71,550 c.y. Each

Soil $\frac{71,550 \text{ c.y.}}{0.65 \text{ c.y./ton}} \approx 110,077 \text{ Ton @ } \$12/\text{ton} = \$1,321,000$

C&D Fines $\frac{71,550 \text{ c.y.}}{1.35 \text{ c.y./ton}} = 53,000 \text{ Ton @ } \$25/\text{ton} = \$1,325,000$

Remaining Estimated Revenue **\$2,646,000**

Revenue Inception to 09/12/06 **\$ 6,994,400**

Estimated Revenue Sept 2006 to Closure **\$ 2,430,915**

Total Revenue to Closure **\$ 9,425,315**

Total Expenses to Closure **\$18,567,454**

Net Closure Cost **-\$ 9,144,139**

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INCEPTION THRU 0-04	10-04 THRU 12-05	01-06 THRU 9-12-06	TOTALS TO DATE
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SALES	2,271,035.10	4,508,280.17	215,085.83	6,994,401.10
ACCOUNTING	2,800.00	750		3,550.00
ANNUAL REPORT		843.5	440	1283.5
ADVERTISING	2,743.07	3,167.44	706.32	6,616.83
AUTO EXPENSE	366	7,867.46		8,233.46
BANK SERVICE CHARGES	60.9	110	167.9	338.8
BUILDING REPAIRS	1,128.75	330.14		1,458.89
CLEAN FILL BERM	420,360.00	1,548.20		421,908.20
COMPREHENSIVE SITE ASSESSMENT		1,680.00		1,680.00
DELAWARE SEC STATE		200		200
DRILLING		27,700.00		27,700.00
ELECTRIC/GAS	4,782.88	7,418.35	7,089.96	19,291.19
ENGINEERING/LAND SURVEYING	39,684.45	19,438.88	17,272.60	76,395.93
ENVIRONMENTAL CONSULTANTS	188,340.70	89,142.60	63,841.27	341,324.57
EQUIPMENT MOVES	15,031.80	6,669.20	1,000.00	22,701.00
EQUIPMENT RENTAL	1,718,146.08	1,025,337.15	72,155.29	2,815,638.52
EQUIPMENT REPAIRS	61,581.18	92,417.77	19,904.09	173,903.04
EQUIPMENT SCALE	37,242.00	0		37,242.00
EQUIPMENT OFFICE TRAILER	25,950.00	0		25,950.00
DEP		91,490.00		91,490.00
FINE			100.00	
FREIGHT AND DELIVERY		469.24	346.12	815.36
FUEL	94,938.60	96,587.00	48,583.31	240,088.91
GAS HANDING SYSTEM		87,154.58	57,713.10	144,867.68
HIRED TRUCKS	146,016.24	49,517.32	1,594.84	197,128.40
INSURANCE		1,009.00	909.00	1,918.00
JOB MATERIALS	35,983.34	106,416.67	44,124.10	186,524.11
LANDSCAPING	5,400.00	2,987.94		8,387.94
LANDFILL COVERING			19,090.00	
LEGAL FEES	78,585.28	53,667.83	56,513.13	188,766.24
LEGAL FEE NEWBURYPORT	30,121.68	2,139.50		32,261.18
LICENSES AND PERMITS/ POSISHELL	34,905.00	64,350.00	19,190.00	118,445.00
LLC YEAR FEE	200			200
MEDICAL EXPENSE	3,173.18			3,173.18
MISCELLANEOUS	5,539.00	19,590.27	21,682.58	46,811.85
MONITORING			10,520.10	
NEWBURYPORT MITIGATION	50,000.00	40,000.00	10,000.00	100,000.00
NEWBURYPORT MITIGATION TONNAGE		79,981.41		79,981.41
OFFICE SUPPLIES	3,611.75	6,603.03	2,924.28	13,139.06
PAVING & ROAD PATCHING	10,300.00			10,300.00
PAYROLL EXPENSE	253,114.94	404,204.04	215,658.48	872,977.46
PAYROLL BILLED	184,559.91			184,559.91
P/R TAXES FICA/MED EXP	19,357.66	31,754.04	16,935.07	68,046.77
P/R TAXES FUTA/SUTA EXP	740.83			740.63
POSTAGE AND DELIVERY	551.57	341.05	132.06	1024.68
W/C	24,121.76	48,747.00		72,868.76
REPAIRS OTHER		1,159.08	148.00	1,307.08

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PRINTING	3,598.67	2,628.50		6,225.17
SANITATION		1,523.18	954.00	2,477.18
SMALL TOOLS		3,036.60	79.01	3,115.61
SITE PREP	75			76
SOIL SAMPLE		12,488.09	3,987.85	16,475.94
SUBCONTRACTORS		330,680.00		330,680.00
TRAVEL/ENT		129.37		129.37
TAXES LOCAL			1260.94	
TAXES/PROPERTY	5,089.32	15,700.57	1,364.15	22,154.04
TAXES/PROPERTY/INTEREST		13,970.53		13,970.53
TELEPHONE	1,166.47	5,287.23	2,964.43	9,418.13
TOOLS AND MACHINERY	2,099.99	2,155.93		4,255.92
TOXICOLOGIST		2,000.00	12,962.99	14,962.99
US BANK/ADMIN FEES	3,500.00	7,000.00		10,500.00
WATER		255.78		255.78
WEIGHTS/MEASURES/REPAIR		100	1050	1150
TOTAL EXPENSES	3,514,965.80	2,869,723.47	733,364.97	7,118,054.24

DIFFERENCE

NOTE: 2006 EXPENSES DO NOT INCLUDE ALL EQUIPMENT RENTAL AND IN-HOUSE ENGINEER AND OFFICE PAYROLL

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